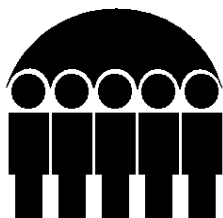


Revised July 28, 1998

Employees' Manual  
Title 11  
Chapter U

# APPEALS BASED ON DATE OF COLLECTION



Iowa  
Department  
of  
Human Services

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## **CHAPTER OVERVIEW**

This chapter covers:

- ◆ The determination of the date of collection of support payments.
- ◆ How that determination affects the distribution of support payments and rebates.
- ◆ The appeals process when an obligee does not receive a support payment or rebate (or receives only part of a support payment or rebate) because of CSRU's determination of the date of collection.

The date of collection of a support payment is determined by a number of factors. These factors include the source of the payment and, in some cases, whether or not that source provided a date of withholding. This determination is explained more fully in this chapter under **DATE OF COLLECTION**.

The distribution of support payments to obligees is based on the date of collection of support payments. Obligees who believe that payments or rebates have not been properly distributed to them due to CSRU's use of the date of collection may appeal the distribution. The appeals process starts with an informal resolution procedure.

If the obligee disagrees with the outcome of the informal procedure, the obligee may file an appeal for a hearing before an administrative law judge of the Department of Inspections and Appeals (DIA). An obligee must go through the informal resolution procedure before filing an appeal with the DIA.

## **DATE OF COLLECTION**

**Legal reference:** 441 IAC 95.3(252B)

The date of collection of a support payment determines for what month that payment is credited. This determination can affect whether an obligee receives all or part of a particular support payment, or if that payment is distributed in full or in part towards amounts owed to the state. The date of collection appears on ICAR on the PAYREC and PAYHIST screens in the RECEIPT CREDITED field. Example:

**DATE OF COLLECTION****Determination of the Date of Collection**

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Iowa Department of Human Services

**Title 11** Enforcement and Distribution**Chapter U** Appeals Based on Date of Collection

D479HR08		IOWA COLLECTION AND REPORTING SYSTEM CERTIFIED PAYMENT RECORD				DATE 12/17/96 TIME 10:21:07 PAGE: 1	
CASE NUMBER.....:				PAYOR NAME:			
START DATE.....:				PAYEE NAME:			
COURT ORDER #:							
COUNTY NAME..:							
<b>RECEIPT</b>	CSC	PAYMENT		DISR	BATCH	SQ	RECEIPT
<b>CREDITED</b>	RECEIVED	AMOUNT	TYPE OF PAYMENT	DATE	DATE	NO	NBR S
11/25/96	12/03/96	100.00	INC. WITHHOLDING	12/04/96	12/03/96	8	000239
12/03/96	12/03/96	50.00	REG CASH REMITT	12/04/96	12/03/96	11	100366
PF5=INQUIRE,		PF7=BACKWARD,		PF8=FORWARD,		PF9=PRINT	
NEXT SCREEN:		NOTES:		YEAR: PRT ID: CDPG0GU			
ENTER CASE NUMBER AND PRESS PF5							

**Determination of the Date of Collection****Legal reference:** 441 IAC 95.3(1), 45 CFR 302.51

The date of collection is the day that a payment is irrevocably withheld from the obligor's paycheck or received by a clerk of court office, CSC, a local DHS office, DHS central office, an agency in another state, or a clerk of court in another state, whichever is earliest.

**Collections from Income Withholding****Legal reference:** Iowa Code Section 252D.17(6), 45 CFR 303.100, 441 IAC 95.3(1)"a"

If a payment is sent to CSC, a clerk of court, or another state by an employer or other income provider, the date of collection is based on the date of withholding. If there is no date of withholding, the date of collection is based on the date of the check. When an employer withholds amounts from vacation or severance pay, CSC credits those amounts to the months indicated by the employer. Examples:

1. An employer sends a payment for an income withholding order. The employer indicates that the date of withholding is December 3, 1996. The date of collection is December 3, 1996. CSC credits the account with a payment in December.
2. An income provider sends a payment for an income withholding order, but the income provider does not indicate the date of withholding. The date on the check is December 3, 1996. The date of collection is December 3, 1996. CSC credits the account with a payment in December.

**Collections Received Directly from the Obligor**

**Legal reference:** 441 IAC 95.3(1)“c”

If a payment is sent to CSC by the obligor, the date of collection is based on the date the payment is received by CSC. Example:

An obligor sends a support payment by personal check. The date on the check is November 30, 1996. CSC receives the check on December 3, 1996. The date of collection is December 3, 1996. CSC credits the account with a payment in December.

If the obligor sends an additional payment in the same month in which previous payments paid the current support obligation, the additional payment may be credited as payment for the next month if all of the following conditions are met:

- ◆ Support for the current month is **fully** paid.
- ◆ CSC receives the payment within five calendar days before the end of the current month.
- ◆ CSC is made aware that the obligor intends the payment to pay the support for the following month. Example:

An obligor sends a support payment which is received by CSC on November 2, 1996. The monthly obligation is \$100. The amount of the payment is \$100, so the monthly obligation is fully paid.

The obligor sends a second payment by personal check which is received by CSC on November 28, 1996. In the memo line on the check, the obligor writes “For December’s Child Support.” CSC credits the account with a payment in December.

**Collections from a Clerk of Court or Another State**

**Legal reference:** 441 IAC 95 3(1)“b”

If the payment is sent to CSC by a clerk of court or by another state or a political subdivision of another state, the date of collection for a payment by the obligor is the date the clerk of court or other state received the payment. If the date of receipt is not provided, the date of collection is the date of the check.

If the payment was sent by an income provider to a clerk of court or other state, the date of collection is the income provider’s date of withholding. For further information about collections sent by income providers, see **Collections from Income Withholding**, above. Examples:

1. A clerk of court receives a support payment on November 23, 1996. The clerk of court sends the payment to CSC. CSC receives the payment December 1, 1996. The date of collection is November 23, 1996. CSC credits the account with a payment in November.
2. A child support agency in another state receives a support payment on November 22, 1996. The other state sends the payment to CSC. CSC receives the payment on December 3, 1996. The date of collection is November 22, 1996. CSC credits the account with a payment in November.

**Distribution of Support**

**Legal reference:** 441 IAC 95.3(252B)

The date of collection determines whether a payment is credited to a month in which current support is already fully paid or to a month in which current support is owed. This crediting of support affects the distribution of the payment.

The support payment is distributed to the state if both of the following conditions are met:

- ◆ The payment is credited to a month in which current support is fully paid.
- ◆ All arrearages are owed to the state.

The support payment is distributed to the family in full or in part if both of the following conditions are met:

- ◆ Current support is owed to the family.
- ◆ The payment is credited to a month in which current support is unpaid.

The following are examples of how the date of collection affects the distribution of support payments.

1. The obligee leaves public assistance at the end of October, and arrearages are owed to the state. The obligor makes a support payment on November 2 which covers November's current support. CSC credits the account with a payment in November. The obligee receives a support payment for November.

The obligor makes a second payment November 22. CSC credits the account with a payment in November. The payment distributes to the state's arrearages. The obligor does not make a payment in December. The obligee does not receive a support payment in December.

2. The obligee leaves public assistance at the end of October, and arrearages are owed to the state. The obligor makes a support payment on November 2 which covers November's current support. CSC credits the account with a payment in November. The obligee receives a support payment for November.

The obligor makes a payment on December 1. CSC credits the account with a payment in December. The obligee receives a support payment for December.

### **Support Rebates**

**Legal reference:** Senate File 2410, section 5, subsection 5  
441 IAC 95.3(4)

Before July 1, 1998, some FIP recipients received rebates from current support payments. To be eligible for this rebate, a family needed to receive FIP benefits continually since June 30, 1997. Families that stopped receiving FIP benefits on or after July 1, 1997, were not eligible for support rebates.

Eligible obligees received the first \$50.00 of current support for a month. The Department used the date of collection to determine if a payment was for current support. While Iowa Code no longer allows for rebates, obligees might still need information about previous payments or rebates.

## DATE OF COLLECTION

### Support Rebates

Revised July 28, 1998

Iowa Department of Human Services

**Title 11** Enforcement and Distribution

**Chapter U** Appeals Based on Date of Collection

The date of collection affected whether or not an obligee was eligible to receive support rebates. When an obligee received FIP benefits, the obligee received a support rebate only on the first \$50.00 of the current support collections. This had the following effects:

- ◆ If the date of collection for a current support payment meant that the payment was credited to a month in which the obligee had already received the \$50 rebate, the obligee did not receive additional money from that payment.
- ◆ If the date of collection of a current support payment meant that the payment was credited to a month in which the obligee had not received the rebate, or had received a partial rebate, the obligee received the money from the payment up to an amount that would complete the \$50 rebate.
- ◆ If the dates of collection for payments meant that no payments were credited to a month, the obligee did not receive a rebate for that month.

The following are examples of how the date of collection affected the distribution of rebates.

1. The obligor made a payment on November 5 which covered November's current support. The date of collection was November 5. CSC credited the account with a payment in November. The obligee received a support rebate for November.

On November 24, the obligor made a second payment. The date of collection was November 24. CSC credited the account with a payment in November. This payment was distributed to the state's balance. In December, the obligor did not make any payments. The obligee did not receive a support rebate for December.

2. The obligor made a payment on November 5 which covered November's current support. The obligee received a support rebate for November.

The obligor made a payment on December 1 which covered December's current support. The date of collection was December 1. CSC credited the account with a payment in December. The obligee received a support rebate for December.



## **ADDRESSING QUESTIONS ABOUT PAYMENTS OR REBATES**

When a support payment is distributed to the state because of the date of collection, the obligee may not understand why, or may believe that the distribution is wrong. The obligee may feel entitled to the support payment or a rebate from the payment.

It may be possible to answer the obligee's questions when the obligee initially contacts CSRU, CSC, or an IM worker about a support payment or rebate which was not distributed to the obligee. Explain to the obligee why the state retained the support payment or did not issue a rebate. Your response to the obligee depends upon whether the obligee contacts you regarding a support payment or a rebate.

- ◆ **Support payment:** If an obligee contacts you about not receiving a support payment, explain that the state retained the payment because of the date of collection. If the obligee accepts your explanation, narrate the outcome of your contact with the obligee.
- ◆ **Rebate:** If the obligee contacts you about not receiving a rebate, you first must determine the reason for the non-issuance of the rebate. The obligee may not have received a rebate because:
  - The date of collection of the underlying support payment meant the state retained the support payment and, therefore, no rebate was issued.
  - The obligee is not eligible to receive rebates. State law ends all rebates for support with a date of collection on or after July 1, 1998. For questions about the time period before July 1, 1998, to June 30, 1998, see **Support Rebates** above.

If the obligee accepts your explanation, narrate the outcome of your contact with the obligee.

When you simply answer an obligee's question, this does not initiate the informal resolution procedure. You must refer the obligee to CSC to initiate the informal resolution procedure at the point when the obligee expresses disagreement or dissatisfaction with the answer you provide.

When the obligee does not accept this explanation, the CSRU worker or the IM worker must refer the obligee to CSC to begin the informal resolution procedure. The CSC worker assists the obligee with the informal resolution procedure.

## **CSC INFORMAL RESOLUTION PROCEDURE**

**Legal reference:** 441 IAC 95.13(17A)

CSC handles obligees' claims for support payments or rebates using the informal resolution procedure. The obligee may contact CSC in person, in writing, or over the telephone to initiate this procedure. The informal resolution procedure for payment and rebate claims is explained in the following sections.

### **Claim for Support Payment**

**Legal reference:** 441 IAC 95.13(1)

When an obligee contacts a CSC worker with a claim for a support payment, the CSC worker has the responsibility for:

- ◆ Acknowledging the claim,
- ◆ Determining the merits of the claim, and
- ◆ Notifying the obligee of the disposition of the claim.

Acknowledge the contact by sending the obligee form 470-3394, *Acknowledgment of Claim Concerning Support*. To generate this form, access it through the DIST process on the FORMLIST screen or the form number on the FORMVIEW screen.

CSC then determines if the following is correct for the support payment:

- ◆ The date of collection.
- ◆ The distribution based on the date of collection.

Once a determination is made, the CSC worker contacted by the obligee sends a notice to inform the obligee of the outcome. Issue a *Notice of Decision: Support Payment*, form 470-3360, to the obligee within 30 days of the obligee's initial contact. To generate this form, access it through the DIST process on the FORMLIST screen or the form number on the FORMVIEW screen.

### **Claim for Support Rebate**

**Legal reference:** 441 IAC 95.13(1)

When an obligee contacts a CSC worker with a claim for a rebate, the CSC worker has the responsibility for:

- ◆ Acknowledging the claim,
- ◆ Determining the merits of the claim,
- ◆ Notifying the obligee of the disposition of the claim.

Acknowledge the contact by sending the obligee an *Acknowledgment of Claim Concerning Child Support Rebate*, form 470-2606. Stock of this form is available at CSC.

CSC determines whether the non-issuance of a full or partial support rebate was correctly done based on the date of collection of the underlying support collection.

Once a determination is made, the CSC worker sends a notice to inform the obligee of the outcome. Issue a *Notice of Decision: Child Support Rebate*, form 470-2607, to the obligee within 30 days of the obligee's initial contact. Stock of this form is available at CSC.

If you determine that a full or partial rebate is due the obligee, contact the IM worker with the information to authorize the rebate. Send the IM worker a follow-up memo to comply with their requirements for written documentation of the action.

### **RIGHT OF APPEAL**

**Legal reference:** 441 IAC 7.5(217), 95.13(13)

An obligee has the right to appeal the decision from the informal support payment or rebate resolution procedure under the following conditions:

- ◆ A written decision from the informal procedure is not issued within 30 days of the obligee's contact with CSC about the support payment or rebate.
- ◆ The obligee disagrees with the decision from the informal resolution procedure.

Appeals from the informal resolution process are limited to the non-receipt of support payments or rebates, in full or in part, based upon the date of collection of the support payment.

The request for a formal appeal is handled by CSC. Refer requests to CSC, advising the obligee to put the request in writing.

## **RIGHT OF APPEAL**

### **Time Limit for Filing**

Revised July 28, 1998

Iowa Department of Human Services

**Title 11** Enforcement and Distribution

**Chapter U** Appeals Based on Date of Collection

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The obligee may request a hearing in writing or in person with CSC. If the obligee states in person an intent to file an appeal, the CSC customer service representative provides the obligee with an *Appeal and Request for Hearing*, form PA-3138-0. (Unlike the informal procedure, this appeal must be in writing.)

If the obligee requests a hearing over the telephone, the customer service representative gives the obligee the option of making the request in writing, or receiving an *Appeal and Request for Hearing* in the mail to fill out and send back to CSC. It is important that the request for a hearing is signed by the obligee.

The CSC customer service representative forwards the *Appeal and Request for Hearing* to the DHS Appeals Section as described under **Responsibilities of the CSC Customer Service Representative**.

The hearing is conducted by an administrative law judge for the DIA.

**Note:** Instructions for the completion of form PA-3138-0 are in the Employees' Manual, I-E-Appendix.

### **Time Limit for Filing**

**Legal reference:** 441 IAC 7.5(4)

Appeals are limited to claims for support payments or rebates based on support payments received by CSRU during the nine-month period before the month in which the appeal is filed. If an appeal is based on CSC's failure to issue a written opinion within 30 days of the obligee's contact with CSC, the appeal may be filed after the 30 days have passed and before a written decision is issued.

When the obligee asks for a hearing within 30 days after the date of the notice, a hearing is granted.

When the obligee asks for a hearing more than 30 days but less than 90 days after the date of the notice, a hearing may be held, depending on the reason for the delay. In these instances, the Director of the Department of Human Services determines whether a hearing will be held. If 90 days have passed, a hearing is not granted.

The time limit for filing an appeal is not extended by the informal resolution process. Although, the length of time taken for CSC to complete a review may be a factor in the decision whether to grant a hearing.

## **Responsibilities of the CSC Customer Service Representative**

**Legal reference:** 441 IAC 7.8(17A)

You must:

- ◆ Provide information to the obligee about the appeals process.
- ◆ Take action as necessary to expedite the timely handling of appeals.
- ◆ Participate in hearings as a representative of the Bureau of Collections.

These responsibilities apply for both claims for support payments and claims for rebates. When an obligee inquires about the appeals process or expresses an intent to request an appeal:

- ◆ Answer the obligee's questions about the procedures to follow in requesting a hearing and the time frames involved.
- ◆ Explain more fully to the obligee why CSC is taking the disputed action.
- ◆ Upon request, provide the obligee with copies of relevant documents in order to assist the obligee in determining whether to request a hearing or to prepare for a hearing.
- ◆ Accept the obligee's written request for a hearing, or, if the request is verbal, provide form PA-3138-0, *Appeal and Request for Hearing*, to the obligee.
- ◆ When providing form PA-3138-0 to the obligee, complete Part II of the form, and forward the form to the DHS Appeals Section, Division of Policy Coordination, Hoover Building.
  - If the obligee claims a support payment, include a copy of *Acknowledgment of Claim Concerning Support Payment*, form 470-3394, and the *Notice of Decision: Support Payment*, form 470-3360.
  - If the obligee claims a rebate, include a copy of form 470-2606, *Acknowledgment of Claim Concerning Child Support Rebate*, and the *Notice of Decision: Child Support Rebate*, form 470-2607.
- ◆ Within 10 days of receipt of a copy of the *Acknowledgment of Claim*, provide to the Appeals Section and the obligee (and to the obligee's attorney, if the obligee is represented) an appeal packet, containing:
  - A summary of facts upon which the appealed decision was based.
  - Copies of supporting materials, including printed copies of the support payment history and rebate payment history.

## RIGHT OF APPEAL

### Responsibilities of the CSC Customer Service...

Revised July 28, 1998

Iowa Department of Human Services

### Title 11 Enforcement and Distribution

### Chapter U Appeals Based on Date of Collection

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The CSC customer service representative attends the hearing and offers testimony about the distribution of support and the process used to reach a decision in the informal procedure. After the hearing the DIA issues a written decision to CSC and the obligee.

If this decision requires the Department to issue a rebate or modify payment distributions, the CSC supervisor contacts the CSC accounting staff to make the necessary adjustments to comply with the order. The CSC accounting staff contacts the IABC worker or supervisor in the affected county if the decision requires a rebate change. If the decision changes the payment distribution, the account staff contacts the CSRU worker assigned to the case.

If the obligee requests the appeal be withdrawn before the hearing is held, notify the DHS liaison for appeals. Ask the obligee to sign a *Request for Withdrawal of Appeal*, PA-3161-0, or to submit a letter of withdrawal to CSC or the office of the DHS Appeals Section. If the withdrawal request is received at CSC, forward it to the Appeals Section. You will receive a written acknowledgment of the withdrawal from either DIA or the Appeals Section.

**Note:** Instructions for the completion of forms PA-3138-0 and PA-3161-0 are in the Employees' Manual, I-E-Appendix. These responsibilities apply for both claims for support payments and claims for rebates.



DEPARTMENT OF HUMAN SERVICES

TERRY E. BRANSTAD, GOVERNOR

CHARLES M. PALMER, DIRECTOR

February 4, 1997

## **GENERAL LETTER NO. 11-U-1**

ISSUED BY: Bureau of Collections, Division of Policy Coordination

SUBJECT: Employees' Manual, Title 11, Chapter U, *Appeals Based on Date of Collection*, Title page, new; Contents (page 1), new; and pages 1 through 11, new.

### **Summary**

*Appeals Based on Date of Collection* is a new manual chapter. It explains:

- ◆ How the date of collection of a support payment is determined.
- ◆ The effect of the date of collection on the distribution of support payments and rebates.
- ◆ The appeals process by which an obligee may challenge the determination of the date of collection of a support payment.

### **Effective Date**

January 1, 1997

### **Material Superseded**

None

### **Additional Information**

If you have questions, please route them through your supervisor.



DEPARTMENT OF HUMAN SERVICES

TERRY E. BRANSTAD, GOVERNOR

CHARLES M. PALMER, DIRECTOR

July 1, 1997

## **GENERAL LETTER NO. 11-U-2**

**ISSUED BY:** Bureau of Collections, Division of Policy Coordination

**SUBJECT:** Employees' Manual, Title 11, Chapter U, *Appeals Based on Date of Collection*, Title page; revised; Contents (page 1), revised; and pages 1 through 11, revised; and pages 12, 13, and 14, new.

### **Summary**

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 no longer allows for federal participation in issuing child support rebates to families. A state which chooses to continue issuing rebates is entirely responsible for the cost of the rebates. The 1997 session of the Iowa Legislature decided to phase out rebates by continuing to pay rebates to families who are active on a FIP case as of June 30, 1997. Families who leave FIP on or after July 1, 1997, will no longer be eligible to receive rebates.

The decision issued by the Iowa District Court of Wapello County in Jones v. Palmer states clearly that appeals by obligees regarding the distribution of support payments and support rebates shall be directed to the Collections Services Center (CSC).

These pages are revised to address the eligibility of families for support rebates and clarify that obligees' appeals regarding distribution must be directed to CSC.

### **Effective Date**

July 1, 1997.

### **Material Superseded**

Remove from Employees' Manual and destroy the entire Chapter 11-U, including the Title page, Table of Contents (page 1), and pages 1 through 11, all dated February 4, 1997.

### **Additional Information**

Please contact your regional collections administrator if further information is needed.





DEPARTMENT OF HUMAN SERVICES

TERRY E. BRANSTAD, GOVERNOR

CHARLES M. PALMER, DIRECTOR

July 28, 1998

### **GENERAL LETTER NO. 11-U-3**

ISSUED BY: Bureau of Collections, Division of Policy Coordination

SUBJECT: Employees' Manual, Title 11, Chapter U, *Appeals Based on Date of Collection*, Title page, revised; Contents (page 1), revised; and pages 1 through 12, revised.

#### **Summary**

Due to a change in the Iowa Code, child support rebates are no longer issued to any FIP benefit recipient as of July 1, 1998. This manual revision incorporates this change.

#### **Effective Date**

Upon receipt

#### **Material Superseded**

Remove the entire Chapter U, from Employees' Manual, Title 11, and destroy it. This includes the Title page, Contents, (page 1), and pages 1 through 14, all dated July 1, 1997.

#### **Additional Information**

Refer questions about this general letter to your regional collections administrator.

Correction to G.L. 11-U-3 issued August 25, 1998